

Iowa Department of Human Services

Offer #401-HHS-009: Adoption

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This offer is for: (choose one)		This offer includes the following appropriations:
	New activity	Adoption Subsidy, Field Operations,
X	Status quo existing activity	General Administration
	Improved existing activity	

Result(s) Addressed:

Primary Results

- **Secure permanent families for children who are eligible for adoption**
 - Strengthen and support families
 - Safe and healthy living environment for children, persons with special needs and vulnerable populations
 - All Iowans have access to quality care
 - Improving student achievement – secure and nurturing families

Program Description:

The purpose of the adoption program is to achieve stable and permanent families for children who have been abused or neglected, and whose parental rights have been terminated. In SFY 2008, the Department of Human Services finalized 1,055 adoptions¹.

Who:

The adoption program serves some of Iowa's most vulnerable children, those who have been abused or neglected.

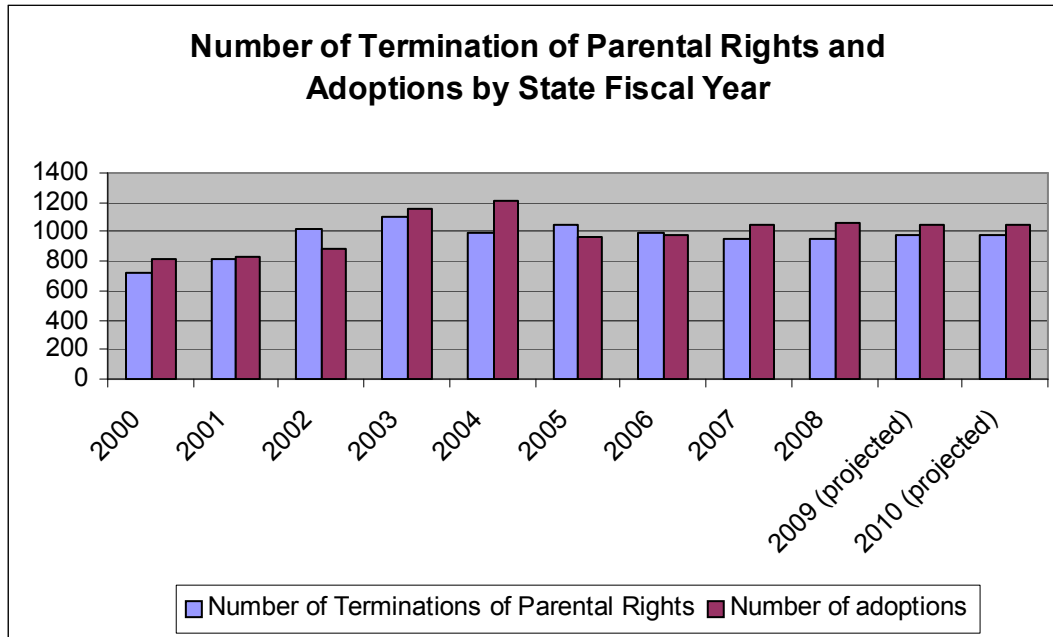
- A child is eligible for adoption services if:
 - The child is under the age of 18 and in foster care with DHS responsible for the child's placement and care, and
 - The child's parents have had their parental rights terminated by the Juvenile Court and guardianship transferred to the Department of Human Services.
- A child is eligible for the adoption subsidy if:
 - The child has a special need (including physical, mental or emotional disability), is older, or a member of a minority race or ethnic group and two years of age or older; and
 - The state could not place the child for adoption without the subsidy.
 - Once a child is eligible for the adoption subsidy, they remain eligible until they turn age 18 (or 21 if they have a diagnosed disability).

¹ This is a preliminary count for SFY 2008. Final count will be done in October.

- Adoptive parents' income is not considered in determining a child's eligibility for subsidy, per Federal regulations.

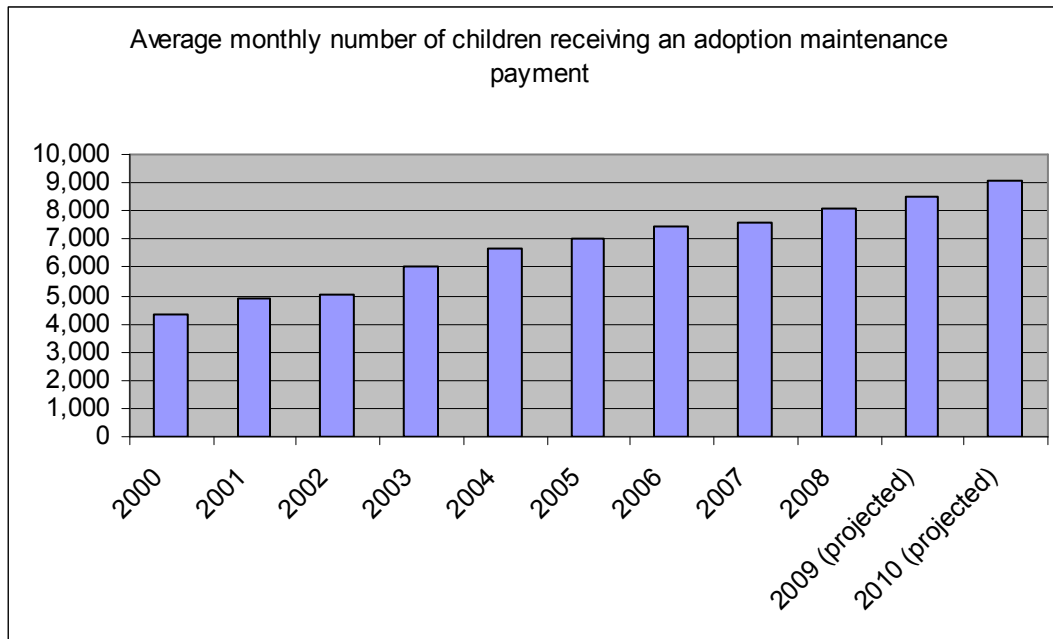
In SFY 2008, the Department of Human Services finalized 1,055 adoptions. As of June 30, 2008, there were 8,090 children receiving an adoption subsidy payment. Figures 1 and 2 show historical data on terminations of parental rights (TPR) for children in foster care and adoptions of children from foster care, as well as children receiving an adoption subsidy maintenance payment.

Figure 1



At the end of SFY 2008, 8,582 children were eligible for adoption subsidy. Of those children, 8,090 received a subsidy payment, and 492 children have an approved adoption assistance agreement but did not receive a subsidy payment, either because they chose not to receive a payment or because the child was identified as “at risk” of having a special need.

Figure 2



The average monthly number of children receiving adoption subsidy will continue to rise even though the number of adoptions has stabilized, because the majority of children adopted are younger and they remain eligible for the adoption subsidy until they are 18, or 21 if they have a mental or physical disability.

As shown in Figures 3 and 4, over half the children adopted through the Department of Human Services are age 5 or younger. One of the reasons for this is that it is more difficult to find adoptive families for older children. On the other hand, the majority of children receiving adoption subsidy are age 6 or older. As noted above, once children are eligible for the subsidy, they remain eligible until they are 18 or 21 if they have a mental or physical disability.

Figures 5 and 6 show that, while Caucasian children make up almost three-quarters of children adopted through DHS, African American children make up a larger percentage of adoptions than they do of the overall child population. This is because African American children represent a disproportionate percentage of the foster care population and are less likely to be reunited with their parents than Caucasian children.

Figure 3

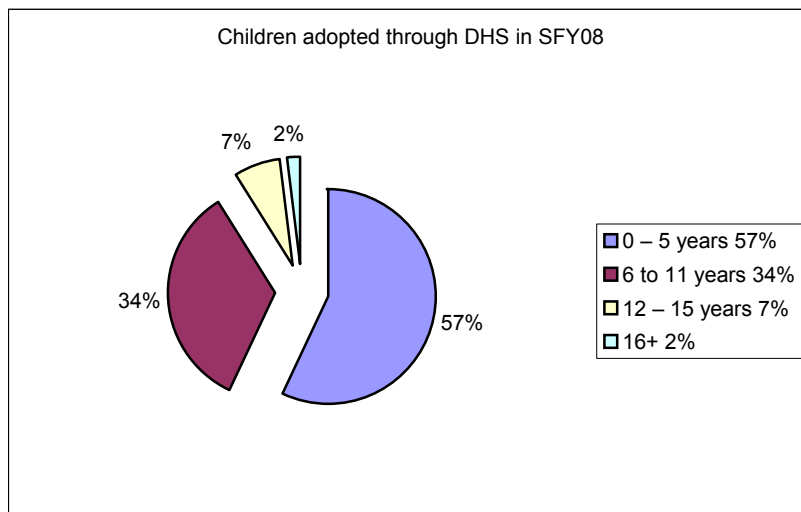


Figure 4

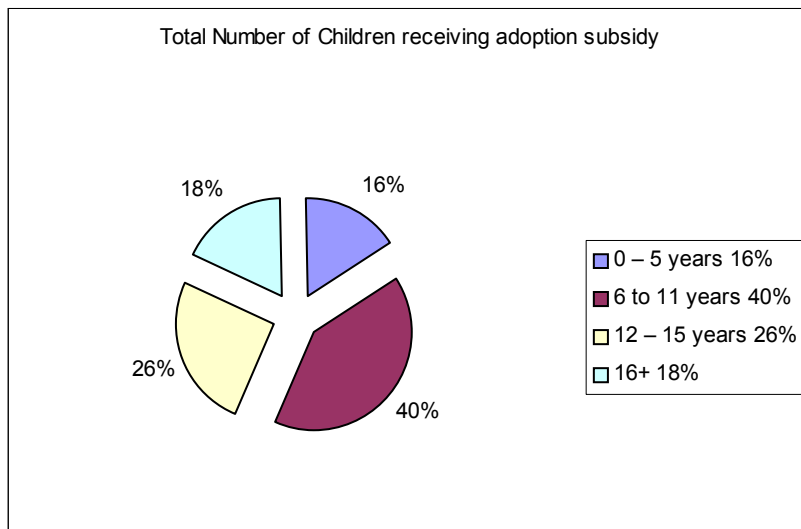


Figure 5

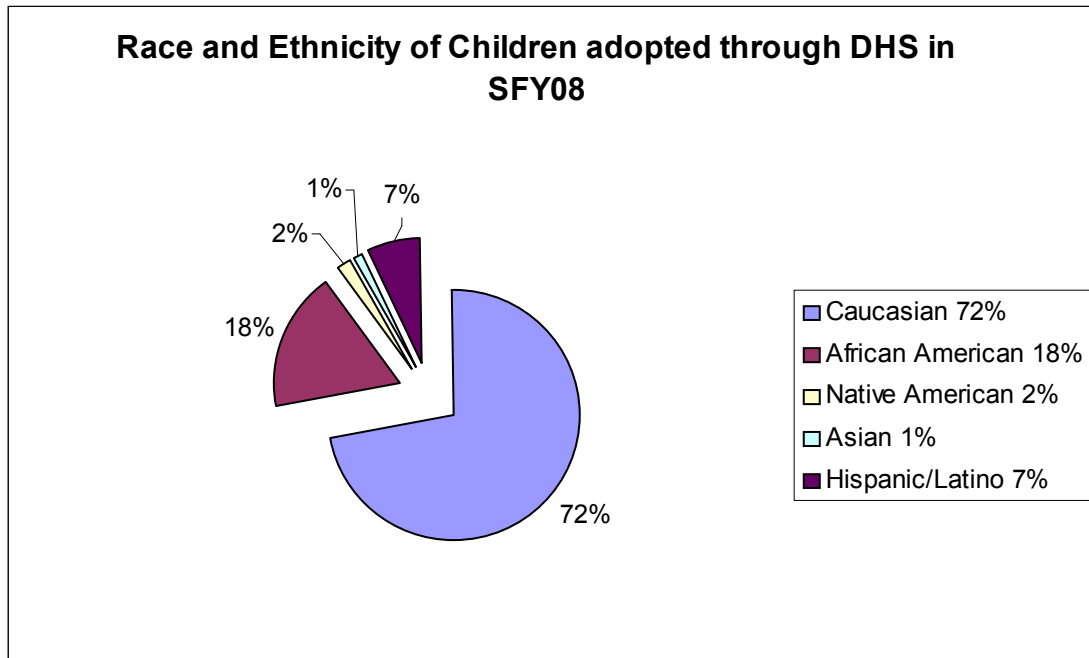
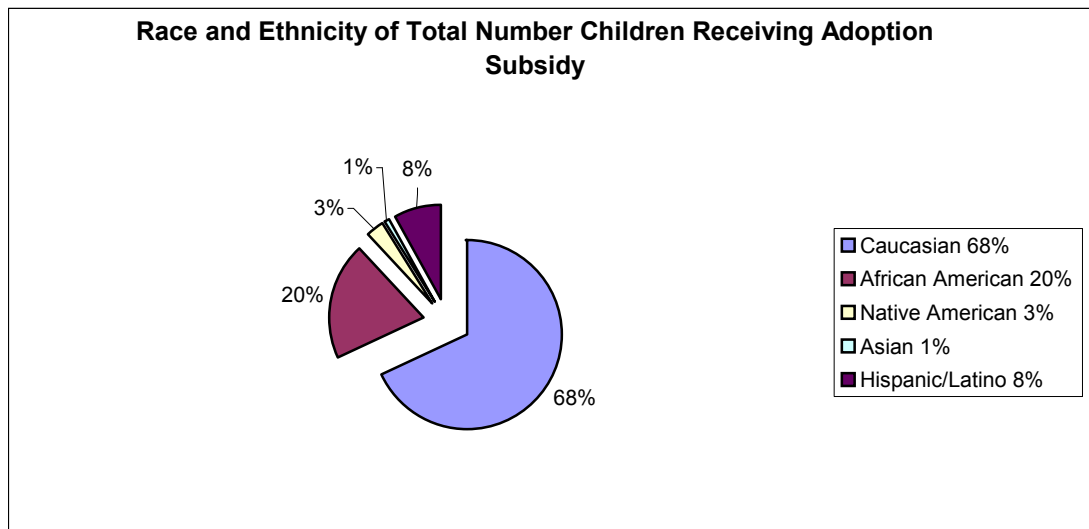


Figure 6



What:

This offer finds permanent families for children who are eligible for adoption, assists in their placement and provides services to avoid disruption. The adoption program includes two primary components:

- Adoption recruitment and services to children and families to achieve an adoption: The Department contracts for statewide recruitment of families to adopt children who are in the state's guardianship. Adoption services include home studies (including child abuse and criminal history record checks), placement, and post-placement services.
- Adoption subsidy: The Department provides the following subsidy benefits to families who have adopted a special needs child from foster care, without regard to family income.
 - Monthly maintenance payments
 - Coverage under the Medicaid program

- Payment for special services (e.g., medical services not covered by Medicaid, such as non-prescription medication, orthodontia, and some medical services provided to Iowa children in other states; attorney fees; and court costs to finalize the adoption.)

Note: The state funds for adoption recruitment and services to children and families to achieve an adoption are included within *Offer #401-HHS-007 Child Welfare/Juvenile Justice Community Services*. The state funds for Medicaid are included within *Offer #401-HHS-003 Medical Services*.

How:

Approximately 6 general administration staff and 55 field staff perform the following functions:

- Recruitment: DHS contracts with a private agency for statewide recruitment.
- Eligibility determination and case management: DHS casework staff provide case management, complete child studies, and determine eligibility for the adoption subsidy program and for Title IV-E funding.
- Licensing: DHS licenses all child-placing agencies that provide adoption services and certifies all adoption investigators that provide services for both public and private adoptions. The Department of Inspection and Appeals (DIA) completes the licensing investigation and makes a recommendation to DHS.
- Subsidy payment: DHS makes a monthly payment directly to adoptive families, and handles payments for special services.
- Interstate Compact: Iowa's interstate compact office processed 201 requests for adoptive placements in fiscal year 2008. Of the 201 requests, 121 were for children placed outside of Iowa, and 80 were children placed in Iowa. The total also includes adoptions finalized through DHS and adoptions done privately.
- Interstate Compact on Adoptions and Medical Assistance: DHS determines eligibility and provides medical coverage for children eligible for adoption assistance whose family moves across state lines.
- Management information system (MIS): DHS maintains a child welfare information system that issues payments and sustains Federal claiming, supports caseworker activities, and provides adoption related data for field staff, policy makers, Federal reporting, and the general public.
- Administrative Supports: DHS provides administrative support including policy/procedure development, budgeting, contract management, and information technology.

Offer Description:

Today's Activities and Results:

All children deserve to grow up in safe and stable families, and a healthy living environment. The purpose of adoption and the adoption subsidy program is to achieve and maintain stable and permanent families for children who have been abused or neglected, and whose parental rights have been terminated. In SFY 2008, DHS finalized 1,055 adoptions.

The Department of Human Services works with children and families in crisis to protect children from abuse and neglect. While our primary goal is to build a safety net for children to allow them to remain safely with their birth family, that is not always possible. When a child is unable to remain safely in their home, the Juvenile Court removes them and places them in temporary foster care until they can return home. Children may remain in foster care for just a few months to over four years. When there is a risk that the child cannot be safely returned home, DHS engages in "concurrent planning"; that is staff work concurrently towards returning the child home and towards securing an alternative permanent family for the child such as adoption. When the Juvenile Court

determines that there is clear and convincing evidence that the child cannot be returned safely home, the court terminates parental rights, and DHS seeks to place the child for adoption.

It is much more difficult to find families to adopt older children. Older children generally have experienced more trauma in their past, exhibit more acting out behavior, and it requires greater supports to help maintain the placement. Minority children are also over represented in the adoption subsidy population, as they are nationally and in all child welfare services.

This offer includes funding for the adoption subsidy program that provides support to families that adopt children from foster care. Adoption subsidy is one of the state's primary strategies for achieving stable and permanent families for children whose parental rights have been terminated.

The Department provides the following subsidy benefits to families who have adopted a special needs child from foster care. There is no income eligibility requirement for a family to participate in the adoption subsidy program.

- Monthly maintenance payments: Basic maintenance rates are based on the child's age, and range from \$16.36 to \$18.87 per day. Special care rates are based on the child's special needs.
- Coverage under the Medicaid program: Medicaid provides access to health care ranging from preventive care to primary care to behavioral health care. The state funds are included within *Offer #401-HHS-003 Medical Services*.
- Payment for special services: Examples: medical services not covered by Medicaid, attorney fees and court costs to finalize the adoption, etc.

DHS has been very effective in finding permanent adoptive families for children under state guardianship with a yearly average of 1,050 adoptions for the last 5 years. Over 90% of the children adopted through DHS participate in the adoption subsidy program. As a result, Iowa has a large and growing number of children eligible for adoption subsidy.

DHS has also been extremely effective in preserving adoptions. Of the 6,025 adoptions finalized by DHS between 2001 and 2006, only 64 were subsequently dissolved. This dissolution rate is well under 1%.

Iowa's performance on the Federal standard of timeliness of adoptions has remained steady during the past three years. The measure represents the percentage of children who are adopted in less than 24 months from the time of their most recent removal from their home. The Federal median is 27%, and Iowa has continually exceeded the Federal median at an average of 50%.

Through this offer, DHS proposes to maintain the adoption subsidy program at its current eligibility and benefit level.

Reprioritization:

In order to continue to provide services at our current service level and improve results, it is necessary to reprioritize our current budget obligations. Therefore, this offer continues maintenance rates for adoption subsidy at the SFY 2009 rates.

Improved Results Activities:

There are no specific budget requests focused on improved results.

Offer Justification:

Legal Requirements:

Federal:

The adoption subsidy program is governed under Title IV-E of the Social Security Act. The adoption program is governed under Title IV-B of the Social Security Act. As a condition of receiving Federal funds, parental income is not taken into account in determining eligibility for the subsidy or the amount of the subsidy pursuant to Federal regulation 1356.4(c). The same Federal statute requires that the adoption assistance payments may not be automatically adjusted without the agreement of the adoptive parents.

State:

State requirements related to adoption are found in Chapter 232 and Chapter 600 of the Iowa Code. State requirements related to payment rates are found in Chapter 234.

Rationale:

Strengthen and Support Families/Secure and Nurturing Families/Safe and Healthy Living Environments

The primary purpose of the adoption program is to strengthen and support families so that children grow up in safe and healthy living environments with secure and nurturing families. This contributes both to improved health outcomes for children, and is a critical factor in student achievement.

Numerous studies have demonstrated that adoption contributes to children growing up in stable families.

- Adopted children have more successful outcomes than children who are reared in institutional environments or in long-term foster care.
- Children adopted from foster care experience greater stability during childhood and also enjoy more lifelong relationships with their adoptive families than do children who remain in foster care.
- A study comparing perceptions of a group of adults who had been adopted at an average age of 3.5 years, with those of a group who had grown up in group care, found that adoptees were more satisfied with how they had been raised and with their lives.
- Adoption disruption rates are lower than disruptions of guardianships or long-term foster care placements.

Studies have also shown that children adopted from foster care face a number of challenges.

Without adoption services, including adoption subsidy benefits, many of these children would not be able to grow up in secure and nurturing families.

- 60% of children adopted had experienced neglect; 52% were diagnosed with attention deficit disorder; and 78% experienced sexual and/or physical abuse prior to adoption.
- Children exposed to physical abuse and/or neglect often experience adverse impacts in their physical health, brain development, cognitive and language skills, academic achievement, socio-emotional functioning. These behavioral and emotional difficulties generally do not abate over time.
- Neglect is associated with a variety of developmental difficulties in childhood, including cognitive, language, and academic delays, poor peer relations, and internalizing (anxiety, depression) and externalizing (aggression, impulsivity) behavior problems.

As noted above, many of these children will continue to need special services following adoption. Some are likely to continue to need such services well into adulthood and even throughout their entire lives. The importance of services and adoption subsidy is supported by research that links the success of special needs adoptions to the availability of appropriate support.

- Adoptive families want educational and informational services (literature, seminars, support groups), clinical services (individual, marital, and family counseling, respite care, and crisis counseling), and material services (adoption subsidies, health benefits, respite care, and support).
- Adopted families use a variety of services, including special education, outpatient mental health services, hospitalization, and temporary residential placement services.
- Adoption assistance can decrease the waiting time until adoption for children with disabilities, older children, and children who need continued treatment; it can facilitate adoptions for children with previously disrupted adoptions.
- State surveys in Illinois, Oregon and Oklahoma demonstrated that adoption subsidies have opened adoption opportunities to minority and low-income families, and have demonstrated positive outcomes. Of all the post-adoption services provided, financial subsidies and medical services received the highest ratings.
- Adoption subsidies are associated with adoption stability. In a comparison of stable to disrupted placements, researchers found that the amount of the monthly subsidy check differed, with families that received greater subsidies having more stable placements.
- Adoption services have been found to predict adoption success of older children and to decrease adoption disruption.

Access to Quality Care

Children who are eligible for the adoption subsidy receive Medicaid coverage that provides them with access to a range of health care benefits from preventive care to primary care to acute care. As noted above, adoptive families find these services critical in addressing the physical and mental health needs of children who have been abused and/or neglected in their birth families.

Results:

Result: Strengthen and Support Families/Safe and Nurturing Families	SFY 2008 Actual	SFY 2009 Budget Level	SFY 2010 Offer Level
Number of finalized adoptions	1,055	1,050	1,050
Percentage of children adopted within 2 years of placement (national median is 27%)	50%	50%	50%